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TCDC

Technical cooperation among developing countries

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HIGH-LEVEL COMMITTEE ON THE REVIEW
OF TECHNICAL COOPERATION AMONG
DEVELOPING COUNTRIES
Ninth session
New York, 30 May-2 June 1995

DRAFT REPORT OF THE HIGH-LEVEL COMMITTEE

Rapporteur: Mr. Francisco Javier BERGUIDO (Panama)

Addendum

IV. SUMMARY OF THE GENERAL DEBATE

A. Overview

1. The general debate started with a statement by the representative of the Philippines, who spoke on behalf of the Group of 77 and China. He stated that great importance was attached to TCDC and South-South cooperation in general as a central aspect of multilateral development cooperation. The technologies, technical expertise and know-how of the developing countries were frequently more suitable for other developing countries because of the similarities they shared. Furthermore, the fundamental changes now taking place in the structure of international relations had reinforced the need for new directions for TCDC.

2. He endorsed the proposals contained in the report on new directions for TCDC (TCDC/9/3) for a more strategic focus on TCDC in order to increase the impact and effectiveness of initiatives in that area. That would require, inter alia, improvement of information systems regarding needs and capacities to facilitate comparison and linking, not only of the priority needs of countries, but also of their comparative advantages.

3. He expressed support for the priority areas identified, namely, trade and investment, debt, environment, poverty alleviation, production and employment, and science and technology. He endorsed the concept of demand-oriented human resource development and urged closer operational linkage between TCDC and ECDC,

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especially because TCDC could be an important instrument in promoting a wider pattern of economic cooperation.

4. He reiterated the need for the adoption by developing countries of comprehensive national TCDC policies in order to provide for a suitable framework for the promotion and application of TCDC activities and emphasized the importance of promoting national TCDC focal points as catalysts in furthering TCDC. He also supported the case for effective institutional arrangements and adequate funding for the new initiatives in TCDC.

5. The representative of the Philippines welcomed the launching of the Group of 77/UNDP award for TCDC/ECDC and the Japanese support to South-South cooperation initiatives. He also underscored the importance of maintaining the separate identity of the Special Unit for Technical Cooperation among Developing Countries within the structure of UNDP.

6. Most delegations indicated their support for the views expressed on behalf of the Group of 77 and China.

7. The representative of France, speaking also on behalf of the European Union, reaffirmed the importance of TCDC and its potential for capacity development in the developing countries and for promotion of regional cooperation. She stated that the diversity now emerging in the developing nations should contribute to the sharing of development experiences and thus promote TCDC. TCDC should not, however, be limited to economic aspects of development and should cover other areas like social development or environmental protection.

8. The representative of France noted with interest the proposed priority areas for strategic initiatives and maintained that TCDC activities should be focused on clearly defined areas. She drew attention to the needs of the least developed countries and stated that strategic initiatives should be taken to benefit those countries as well. She supported the proposal for the compilation and dissemination of information on successes of TCDC.

9. She also welcomed the proposed increase in TCDC activities in the upcoming cycle as long as it did not reduce allocations for country programmes. She urged that all institutions dealing with TCDC should improve coordination of their activities. Finally, she maintained that TCDC merited additional support by the international community.

10. Most delegations noted the changed economic environment in almost all countries in which the private sector and non-governmental organizations were playing a greater and more important role in national development enterprise. They recognized the need for involving new economic actors, such as non-governmental organizations, professional bodies, academia, chambers of private sector businesses and industries, in TCDC in a substantive manner.

11. There was general agreement that despite the significant progress registered since the adoption of the Buenos Aires Plan of Action in 1978 many needs remained unmet and the full potential of TCDC remained unrealized. The changed global environment presented an opportunity to set TCDC on a new path

and to intensify its activities. South-South cooperation had increased in various spheres, and TCDC on a bilateral basis had become a significant element in development cooperation. The TCDC modality could be viewed as an important lever for the empowerment of developing countries as it meant the use of technical resources of developing countries as agents of change in the development process of those countries. It was recognized at the same time that TCDC was complementary to traditional technical cooperation and would certainly not replace it altogether; but there was justification for enhancing the application of that modality more extensively in order to make the best use of the limited availability of aid funds.

12. Most delegations made the point that the primary responsibility for implementing TCDC lay with the developing countries and for that purpose various modalities of cooperation were being applied, including larger allocation of budgetary resources by the countries themselves. But almost all delegations singled out financial constraints as the major impediment to wider application of the TCDC modality. Numerous delegations argued for greater support from the developed countries and the international development and financial institutions. Some suggestions were made for greater financial contribution for TCDC from the private sector, and transnational corporations in particular. The idea of triangular funding, by which the financial resources of developed countries could be used to acquire the appropriate technical resources of developing countries in order to meet the needs of other developing countries, received universal endorsement from all delegations. Almost all delegations urged donor agencies and countries to broaden and expand the scope of triangular technical cooperation.

13. Some delegations pointed out that lack of understanding of the concept and objectives of TCDC hampered its application. The organization of effective national focal points and articulation of national TCDC policies were emphasized by many delegations as essential institutional underpinnings for expanding TCDC activities.

14. A great deal of emphasis was placed on optimal use of information technology for the promotion of TCDC. Most delegations welcomed the improved TCDC-INRES and supported its expansion into a multidimensional reference service. In particular the proposals for compiling successful experiences, preparing lists of experts and exchanging database with other systems in the United Nations development system received strong endorsement.

15. Several delegations alluded to the problem of poverty and the plight of the least developed countries. Marginalization of many less developed countries also drew attention. It was considered that TCDC should focus on those issues, which were of great relevance to a number of developing countries. The small island developing States initiative was welcomed in that context.

16. The subject of TCDC in the context of tackling the problems of the transitional economies was referred to by a number of delegations. The initiative of the countries of Latin America and the Caribbean and the countries of the Commonwealth of Independent States (CIS) was welcomed in that context.

17. Many delegations emphasized the importance of human resource development and the pivotal role that TCDC could play in it. Many delegations stated that education and training facilities available in the developing countries were being used extensively for improving the manpower of the developing countries. The exchange of experts was providing for upgrading the quality of public servants, business managers and technical personnel in those countries.

18. The subject of closer operational integration between TCDC and ECDC drew considerable attention from most delegations. In that context statements were made in support of strengthening the role of the Special Unit for Technical Cooperation among Developing Countries and institutionalizing greater collaboration between that unit and the United Nations Conference on Trade and Development (UNCTAD). Delegations maintained that challenges posed by the changing world situation warranted revitalization of TCDC and ECDC in an integrated manner.

B. Review of progress made in implementing the Buenos Aires Plan of Action and the decisions of the High-level Committee and implementation of the recommendations of the South Commission

19. A number of delegations provided information on their TCDC policies and activities and others supplemented the information already provided in the report of the Administrator (TCDC/9/2).

20. A few delegations pointed out the difficulties being experienced in supporting TCDC activities owing to the resource constraints brought about by adjustment programmes, debt problems and a decline in the flow of external assistance. They made a special plea for expansion of the cost-effective TCDC modality with financial support from donor agencies and countries. The situation prevailing in some African and least developed countries was cited in that connection.

21. The emphasis placed on regional cooperation by developing countries in all regions, such as eastern and southern Africa, South Asia, Latin America as a whole, and Central America and the Caribbean in particular, was brought up by some delegations and in that context validity of the TCDC modality was reaffirmed. Delegations reported on their activities in the framework of regional cooperation groups and sub-groups. A few delegations of intergovernmental organizations, like the Organization of American States, the International Organization for Migration, the Arab Organization for Agricultural Development, the Latin American Economic System and the Central American Economic System, also described their efforts in regional cooperation and economic integration.

22. Many delegations gave an account of their support for training programmes for personnel of developing countries and some countries acknowledged the contribution of donors in facilitating such programmes. A donor country delegation spoke of its third-country training and partnership programmes supporting training of developing country personnel by developing country trainers and institutions in some developing countries. Some intergovernmental

organizations, especially in Latin America and the Caribbean region, also described their training programmes which were designed and executed in the TCDC modality. Indonesia announced its plans to establish a centre of excellence designated as the Movement of Non-Aligned Countries Centre for South-South Technical Cooperation. One delegation suggested that advanced centres of training and research should now be set up in the southern countries and the United Nations development system should assist such ventures. Several countries reported on the training of large numbers of personnel from other developing countries and also providing facilities for students in institutions of higher learning.

23. Some delegations regretted the lack of political commitment and the insufficient or declining capacity of national institutions standing in the way of expansion of TCDC. Many delegations asked for support from the United Nations development system in developing centres of excellence or at least helping established institutions with programme support. Some others referred to the lack of understanding of the concept of TCDC and the absence of clarity in respect of the design of South-South cooperation modalities. In that context the importance of strong national TCDC focal points and clear national TCDC policies was emphasized. Some delegations also suggested that the Special Unit for Technical Cooperation among Developing Countries should help in the formulation of country TCDC policies. Some delegations commented on the structure, authority, role and strategic location of the national focal points.

24. Some delegations described their national cooperation programmes under which TCDC activities were undertaken and indicated increasing dedication of national resources for TCDC. Some delegations also mentioned the various bilateral cooperation framework agreements and listed activities undertaken under them. Some countries stated that they were executing cooperation programmes with a large number of countries, in some cases up to 80 or 100. They also reported having various cooperation programmes covering many countries or with specific regional focus like Africa or Central Asia. The discussions clearly indicated a much higher level of actual TCDC than was generally observed or reported. It also reflected strong commitment to TCDC of some of the better-placed developing countries, such as the Republic of Korea, Turkey, Mexico, Thailand, Argentina, Brazil, China, India, Malaysia, Indonesia, Venezuela, Chile, Pakistan and Singapore. The importance of proper reporting was touched upon by a few delegations and the compilation of data on TCDC activities at the national level was strongly recommended.

25. Many delegations spoke of the value and importance of capacities and needs matching exercises and the publication of compendiums on needs and capacities. Some delegations felt that the distinction between promotional and operational TCDC activities should be done away with and all TCDC activities should be considered as activities of horizontal cooperation. Some delegations complained about the delay in the compilation of reports on capacities and needs matching exercises, which held up the implementation of accords. One delegation suggested that capacities and needs matching exercises should now consider joint ventures and should not be limited to technical cooperation activities. The value of country missions in making a capacities and needs matching exercise fruitful was mentioned as well.

26. Some delegations spoke of the need for a policy on the use of TCDC experts and welcomed the framework of the Food and Agriculture Organization of the United Nations (FAO) as a propitious beginning.

27. It was noted that lack of financing or very limited financing was hindering wider use of TCDC experts where it could make a positive impact on development.

28. Some delegations referred to mainstreaming of women in development in TCDC activities. It was said that conscious efforts must be made to increase awareness of the importance of incorporating women in all development activities and for that purpose special programmes and targeted actions should be undertaken.

29. Most delegations sought greater support for TCDC activities by the United Nations organizations and agencies. Some delegations suggested the earmarking of more resources for TCDC and considered that umbrella projects were important instruments for the expansion of TCDC. However, there was an emerging consensus that developing countries should take action on a priority basis to expand TCDC.

30. A number of agencies and organizations of the United Nations system provided supplementary information on the high levels of support provided by them in promoting TCDC in operational activities. The International Atomic Energy Agency (IAEA), the United Nations Centre for Human Settlements (Habitat) and the Economic Commission for Latin America and the Caribbean (ECLAC) gave detailed statements on their TCDC activities. Most of those delegations emphasized the need for greater coordination of their activities. The statements of agency representatives brought out a wealth of information on various TCDC activities, ranging from seminars and workshops, training programmes, use of experts and transfer of technology and experience, to establishment and support of networking and support to regional cooperation arrangements.

31. A large number of delegations referred to the five main points of the report of the South Commission relating to TCDC. The subjects most emphasized were the inculcation of a South consciousness, the promotion of joint ventures and measures for trade expansion.

32. Many delegations acknowledged the changes in the database and accessibility of TCDC-INRES and expressed the hope that its use would increase. The conversion of the database into a multidimensional storehouse of information, as reported in paragraph 14 above, was strongly supported by many delegations.

C. New directions for technical cooperation among developing countries

33. The analysis provided and the proposals made for reorientation of present activities and new initiatives for TCDC were by and large supported by all the delegations that spoke on the subject, with many delegations focusing exclusively on the subject. The timeliness of the review and the new thrust at an opportune moment were widely commended.

34. The issue of strategic initiatives appeared attractive to all delegations. However, a number of delegations listed additional items under priority areas. In addition to the items listed by way of illustration in the report (e.g., trade and investment, poverty alleviation, debt, the environment, macro-economic policy coordination, production and employment and aid coordination), other items enumerated were: reform and modernization of the State, human resource development (education and health programmes), development of local government, transfer of technology, rural development, small and medium industry, land conservation, rural energy development and tourism. It was also clarified that attention should be focused on selected priority themes in which cooperating countries would be interested and there would be no imposition from above or outside.

35. The idea of doing away with the distinction between promotional and operational TCDC also received general endorsement. More important, however, were the interventions of delegations on the closer operational integration of TCDC and ECDC. The gradual falling apart of the twin pillars of South-South cooperation was regretted by some delegations. There was a demand for a further exploration of ways of interrelating the concepts of TCDC, ECDC and South-South cooperation and creating what might be called a continuum of TCDC and ECDC. Some delegations asked for a strengthening of the relations between TCDC and ECDC and suggested that they should be considered in an integrated manner as two sides of the same coin. There was a call for greater coordination of efforts and activities between the Special Unit for Technical Cooperation among Developing Countries and UNCTAD and provision of some institutional linkage between the two.

36. Many delegations spoke on the small island developing States initiative, the Asia-Africa Forum (Bandung) initiative and the cooperation initiative of the countries of Latin America and the Caribbean and the CIS countries and extolled their strategic significance and imaginative design. These were considered to be creditable innovations and a testimony to the potential of TCDC.

37. Another idea put forward by one delegation for promotion of TCDC was the organization of half-day sessions for case-studies on a country or a project basis consisting, for example, of a short presentation on an initiative by the representative of the country or United Nations body and then a brief discussion.

38. Trilateral cooperation or triangular funding of TCDC activities drew attention from virtually all delegations. It was generally agreed that TCDC was very cost-effective and in many cases the only appropriate cooperation programme for some specific purpose or objective. Some delegations expounded on some of the triangular arrangements supported by France, Japan, Germany, the Netherlands and the Republic of Korea. The broadening of the concept and its wider use was strongly recommended by all delegations. Some delegations suggested that trust funds or special funds for specific programmes could be set up.

39. Another idea propounded in the report, which drew universal attention, was the involvement of the private sector and the civil society in TCDC activities. A few delegations asked for a study on how to incorporate the private sector in TCDC. At least two delegations stated that the private sector was already

involved directly in TCDC. Another delegation supported the idea of national commissions on TCDC incorporating all interests. Some others felt that countries should find their own ways of involving the non-governmental and private sectors in TCDC policy formulation as well as operational activities. Suggestions for not overlooking interests of academia and research people, labour force and financial institutions were also made. A further point made was that while TCDC could be utilized more in the public sector, ECDC - the next step - was primarily a matter for the private sector.

40. The private sector was also considered by some delegations as a good source of financing technical cooperation activities between countries irrespective of whether it involved the private sector.

41. It was suggested by several delegations that the pooling of resources devoted to TCDC in a country would yield better use of resources and appropriate prioritization of cooperation programmes. Some delegations asked for greater allocation by developing countries of budgetary resources for TCDC.

42. One delegation asked for the enhancement of projects in the areas of joint product research for commercialization, initiation of specific ventures on new technologies and the pooling of expertise and resources for new ventures. That emanated from the perception of TCDC and ECDC as a continuum and de-emphasized the distinction between promotional and operational TCDC.

43. Most delegations welcomed the experts meeting on South-South cooperation and appreciated the close coordination between the Special Unit for Technical Cooperation among Developing Countries and UNCTAD in the planning and organization of the meeting. In the changed context of the world political economy, it was considered very essential to look at the issue in all its implications and to review both the positive and negative elements in order to outline a plan for the future.

D. Consideration of reports of the Bureau of the High-level Committee and the Administrator of the United Nations Development Programme

44. Only two delegations spoke in favour of changing the present timing of sessions of the High-level Committee.

45. With regard to the guidelines for the review of policies and procedures by the United Nations development system concerning TCDC, several agencies and organizations of the United Nations system gave an account of their programmes for sensitization of staff, priority areas for consideration of the application of the TCDC modality and new initiatives for promotion of TCDC. It was noted that the subject would be reviewed at the meeting of the agency focal points to be held the following week.

46. All delegations that took the floor emphasized the need for retaining the separate identity of the Special Unit for Technical Cooperation among Developing Countries within the structure of UNDP. All delegations supported the strengthening of the Unit to enable it to meet the objectives of the new

directions strategy. The intention of the Administrator to preserve the existing staff level and to provide for larger allocations in the next programming cycle was warmly welcomed.

E. Comments by the Director of the Special Unit for Technical Cooperation among Developing Countries following the general debate

47. The Director of the Special Unit for Technical Cooperation among Developing Countries expressed his gratitude to the High-level Committee for its endorsement of the recommendations contained in the document on new directions for TCDC (TCDC/9/3).

48. He noted the mandate given by the High-level Committee to the Special Unit for the adoption of more strategic orientations for TCDC in order to achieve a greater impact on developing countries.

49. He also noted the relevance given in particular to some aspects of the report, such as the adoption of national TCDC policies, the strengthening of national focal points and the promotion of triangular funding arrangements in support of TCDC.

50. He gave the assurance that the Special Unit would continue to consult with Governments, the United Nations development system and other relevant bodies in identifying creative and effective ways of implementing the recommendations on new directions for TCDC.

F. Other matters

51. In other matters, a number of delegations requested that the Bureau, in consultation with the Administrator of UNDP, explore the possibility of arranging for several delegations, based on equitable geographical representation and an involvement in TCDC activities, to make presentations during the tenth session on their experiences with TCDC for a period to be specified by the Bureau.

52. The Director of the Special Unit welcomed the proposal made by the delegations and stated that the Special Unit, through its Director, would present to the Bureau proposals as to the most effective manner in which those presentations might be made.